GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:2080
ANSWERED ON:03.12.2001
PROFIT EARNED BY STEEL COMPANIES
GANGASANDRA SIDDAPPA BASAVARAJ;GOWDAR MALLIKARJUNAPPA;IQBAL AHMED SARADGI

Will the Minister of STEEL be pleased to state:

(a) whether the Indian steel companies have performed better than that of American companies;

(b) if so, the names of companies which have shown a huge profitability;

(c) the total profit earned by these companies; and

(d) the steps being taken to improve this profit further?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a)to(d): The profits of steel companies the world over, including USA and India are under heavy pressure due to recessionary conditions prevailing in the world steel market and the decline in international prices of steel. It is difficult to compare the performance of steel companies in India and America as in both countries some companies are making profits and others are making losses. As per available information nearly 25 US steel manufacturers have filed for bankruptcy since 1998. The performance of select steel companies in India is given in the Annexure. With the liberalisation of steel sector, the steel companies work out their own strategies to increase their profitability.

ANNEXURE

PERFORMANCE OF SELECT STEEL COMPANIES

(Rs. in crores)

Name of the Company	(+)Net Profit/Loss(-) 2000-01	(+)Net Profit/Loss(-) 1999-00
Bhusan Steel	+46	45
Essar Steel	-346	-581
Jindal Iron	-97	9
Jindal Strips	+53	63
Lloyd Steel	-407	-265
Mukand Ltd	-32	-7
SAIL	-729	-1720
TISCO	+553	423